

LINDA LINGLE  
GOVERNOR



**STATE OF HAWAII**  
**PUBLIC UTILITIES COMMISSION**  
**DEPARTMENT OF BUDGET AND FINANCE**  
465 S. KING STREET, #103  
HONOLULU, HAWAII 96813

CARLITO P. CALIBOSO  
CHAIRMAN

WAYNE H. KIMURA  
COMMISSIONER

JANET E. KAWELO  
COMMISSIONER

April 27, 2005

The Honorable Kenneth T. Hiraki  
State Representative, District 28  
Chair, House Committee on  
Consumer Protection & Commerce  
Hawaii State Capitol, Room 320  
415 South Beretania Street  
Honolulu, Hawaii 96813

The Honorable Hermina M. Morita  
State Representative, District 14  
Chair, House Committee on Energy and  
Environmental Protection  
Hawaii State Capitol, Room 314  
415 South Beretania Street  
Honolulu, Hawaii 96813

Re: Docket No. 05-0002, Informational Briefing relating to the Implementation of Hawaii Revised Statutes ("HRS") Chapter 486H (aka, Gasoline Price Cap Law) held by the House Committees on Consumer Protection & Commerce and Energy and Environmental Protection; April 19, 2005; 2 p.m.

Dear Chairs Hiraki and Morita and Members of the Committees:

This is in response to Representative Cynthia Thielen's question of whether Hawaii's gasoline tax estimate of 57 cents per gallon ("cpg") referenced in ICF Consulting's ("ICF") April 15, 2005 report to the Public Utilities Commission includes the State's general excise tax. After conferring with ICF, it is our understanding that the Hawaii gasoline tax estimate of 57 cpg was derived from a process performed by the American Petroleum Institute, which calculated the total gasoline tax estimate of 57 cpg by including a four per cent sales tax. A general excise tax was not specifically applied.

The Honorable Kenneth T. Hiraki  
The Honorable Hermina M. Morita  
April 27, 2005  
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Should you have any questions, please do not hesitate to contact me at 586-2180, or Kevin Katsura, Commission Counsel, at 586-2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris N. Nakagawa", with a long horizontal flourish extending to the right.

Kris N. Nakagawa  
Chief Legal Counsel

KNN:LYK:eh

c: Consumer Advocate  
Michael Lau, Esq./Kent Morihara, Esq.  
Craig Nakanishi, Esq.  
Clifford K. Higa, Esq./Bruce Nakamura, Esq.  
Kelly G. Laporte, Esq./Marc E. Rousseau, Esq.